



**United States Department of Justice  
United States Attorney's Office  
District of Minnesota**

**Rachel K. Paulose, United States Attorney**

Jeanne F. Cooney, Director of External Relations  
(612) 664-5611; after hours, (651) 757-7567

## **News Release**

FOR IMMEDIATE RELEASE  
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### **Minnesota Insurance and Investment Salesman Sentenced to Federal Prison for Investment Fraud**

Minneapolis - An Austin, Minnesota, insurance and investment salesman was sentenced today to 97 months in federal prison for investment fraud. Dale Eugene Schlichting, age 48, also was ordered to serve three years of supervised release. In addition, United States District Court Judge Paul A. Magnuson directed Schlichting to pay \$2,986,057.70 in restitution to the 92 people he admitted defrauding. In December of 2006, Schlichting, who operated the DSI Agency in Hayfield, Minnesota, entered a plea of guilty to three counts of mail fraud and three counts of money laundering in this case.

When he entered his plea, Schlichting admitted that between 1999 and 2006, he knowingly and intentionally managed a scheme to defraud his customers of their money. Specifically, he sold insurance and investment products to them even though his securities license had been terminated

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by the National Association of Securities Dealers in 1998, and his insurance license had been permanently revoked by the State in 2003. To facilitate his scheme, Schlichting had customers make investment checks payable to one of two entities he had established. However, he failed to inform those customers that the entities were shell companies. Furthermore, he refrained from investing the money he received from his customers as promised. Instead, he used the funds to pay off other investors and for his own personal use.

This case resulted from the assistance of and an investigation by the U.S. Postal Inspection Service; the Internal Revenue Service, Criminal Investigation Division; the Minnesota Department of Commerce, Division of Insurance Fraud Prevention; the Mower County Sheriff's Office; the Dodge County Sheriff's Office; and the Dodge County Attorney's Office. Assistant United States Attorney Frank J. Magill prosecuted the case.

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